



**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
Washington, D.C. 20224**

SMALL BUSINESS/SELF-EMPLOYED DIVISION

February 8, 2005

North Dakota District Bankruptcy Court
Quentin N. Burdick United States Courthouse
655 1st Ave. N., Suite 210
Fargo, ND 58102-4932

RE: Insolvency Centralization

The Internal Revenue Service is continuing to move forward with the decision to redesign the organizational structure of the Insolvency operation. Centralization is one of the key strategies used that will result in improved operational efficiency and service to our customers.

Prior to the redesign, Insolvency work was performed in more than 70 local offices around the country. As part of the Insolvency centralization process, specific processing tasks that are performed by the clerical and paraprofessional staff will be moved to one location – the Philadelphia centralized site, also referred to as the "Philadelphia campus".

The vast majority of Insolvency correspondence will be processed by employees at the Philadelphia campus. Electronic notices including all "up front" processing of bankruptcy cases as well as "back end" work of effectuating discharge orders and closing out the bankruptcy case will be done at the Philadelphia campus. The centralization process will occur over several months on a state-by-state- basis.

Effective February 07, 2005, the Philadelphia campus began processing work for the state of North Dakota. We request that you change the official mailing matrix to the following address for all correspondence directed to the Internal Revenue Service for the state shown above.

**Internal Revenue Service
P.O. Box 21126
Philadelphia, PA 19114**

Again, these changes are applicable to the state mentioned above and other locations should continue to follow existing procedures until notified to use the campus address.

Insolvency employees in local offices and at the Philadelphia campus are working closely to limit the impact on our customers and to ensure the current levels of customer service are maintained.

If you have any questions, please contact Don Peattie at 408-817-6520.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Don Peattie".

Don Peattie
Insolvency Territory Manager

The Small Business/
Self-Employed (SBSE)
Operating Division is
committed to
identifying ways to
improve
business processes and
adjust to changing
demands.

The IRS Mission

*Provide America's taxpayers top
quality service by helping them
understand and meet their tax
responsibilities and by applying
the tax law with integrity and
fairness to all.*



Department of the Treasury
Internal Revenue Service

www.irs.gov

Publication 4397 (8-2004)
Catalog Number 38899J

Insolvency Redesign

What you need
to know.

Continue agency
modernization, achieve
greater operational
efficiencies and improve the
IRS's ability to enforce the
tax laws.

Insolvency Redesign Overview

The new organizational design will:

- Leave the professional staff at their current field locations and they will continue to work on Chapter 9, and Chapter 11 cases as well as certain Chapter 7 Asset and Chapter 13 issues.
- Centralize clerical and paraprofessional processing in one site.
- Direct Insolvency correspondence and mail for processing at the centralized site.
- Direct Insolvency payments to a special post office box for expeditious handling.
- Apply payments promptly to accounts based on priorities outlined in the bankruptcy plans.

The centralized site will:

- Include a toll-free call center to receive bankruptcy related calls.
- Forward complex calls to the appropriate professional or paraprofessional in the Insolvency field function.
- Have the flexibility of providing backup during peak demand and the ability for mixed day and swing shifts to ensure that we provide access to all time zones.

Centralization

- Improves business results;
- Provides clarity and convenience for customers;
- Allows greater ability to respond to changes in workload demand;
- Provides for greater efficiencies and improve overall quality of work through leveraging technology.

Standardization

- Provides End-to-End accountability;
- Provides consistent treatment of taxpayers;
- Improves work products with quality reviews;
- Reduces variances in the way work is processed and performed within groups and across the country;

- Incorporates best practices by applying the creativity and innovation of parts of Insolvency to the entire organization.

Span of Control

- Reduces overlapping efforts and allows employees to perform work at appropriate grade levels.

Benefits to Stakeholders

Prompt action on cases

- Freezing of accounts
- Discharge
- Lien Release

Improved Communication

Improved access for assistance

- Centralized phone number
- Extended hours

Consistent treatment of taxpayers

*The benefits of three strategies
Centralization, Standardization, and
Span of Control will realign
responsibilities and ensure fair and
equal treatment to taxpayers.*